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State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Memo

DATE: March 21, 2007

TO: John R. Baza, Director initial JRB

THRU: Mary Ann Wright, Associate Director – Mining initial MAW

THRU: Susan M. White, Mining Coordinator– Mining initial SMW

THRU: Paul Baker, Reclamation Specialist – Mining initial PMB

FROM: Beth Ericksen, Surety Coordinator- initial BE

SUBJECT: ^{large} Request for ~~Small~~ Mine Reclamation Contract Signature Without Bank Issued
Administrative Hold Letter, M/055/016

This memo is to request signature to the ^{large} ~~small~~ mine reclamation contract without the bank issued administrative hold letter. In January 2007, Beth Ericksen requested the administrative hold letter for the certificate of deposit (cd) account with Wells Fargo Bank NA in the amount of \$35,000.00. Mindy Little of Wells Fargo Bank indicated she would send the hold letter request to the Wells Fargo legal department for review. On March 20, 2007, Ms. Little contacted Beth Ericksen by telephone and indicated the legal department will not approve the issuance of the letter. Beth indicated there are several signed Wells Fargo administrative hold letters with other branches. Beth emailed Wells Fargo special purpose CD account information to Mindy to demonstrate the number of Wells Fargo CD's with administrative hold letters.

Ms. Little indicated there is a 'hard hold' on the account and confirmed the operator could not obtain unconditional control of CD. Beth requested that Ms. Little provide that information in writing, she tacitly agreed. To date, there has not been an email from her, therefore, it is assumed that if the administrative hold letter will not be issued and the content of the email request is similar to the content of the administrative hold letter, Ms. Little will not provide this assurance in writing.

The content of the CD letter regarding ownership and the associated terms and conditions of the letter, shall warrant bank responsibility and obligation if a bank employee inadvertently releases the amount of the CD to the operator.

☒ APPROVED